

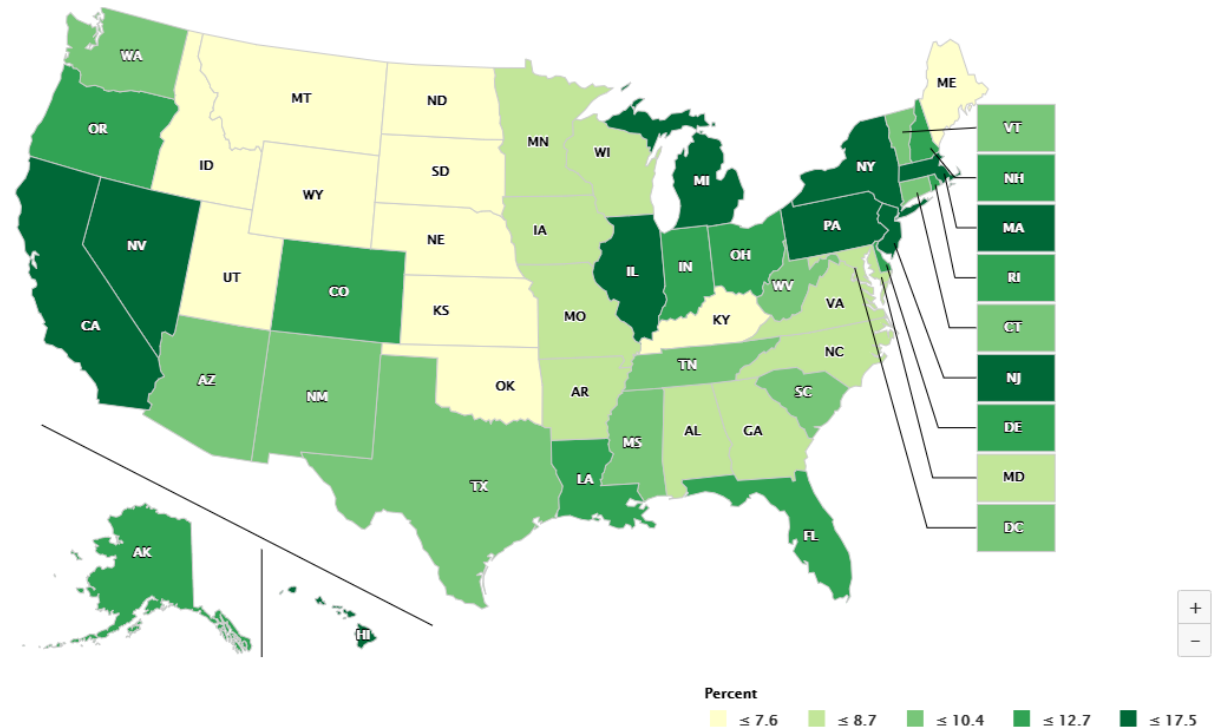
# REVENUE AND ECONOMY UPDATE

Andrea Wilko, PhD  
Thomas Young, PhD  
Maddy Oritt

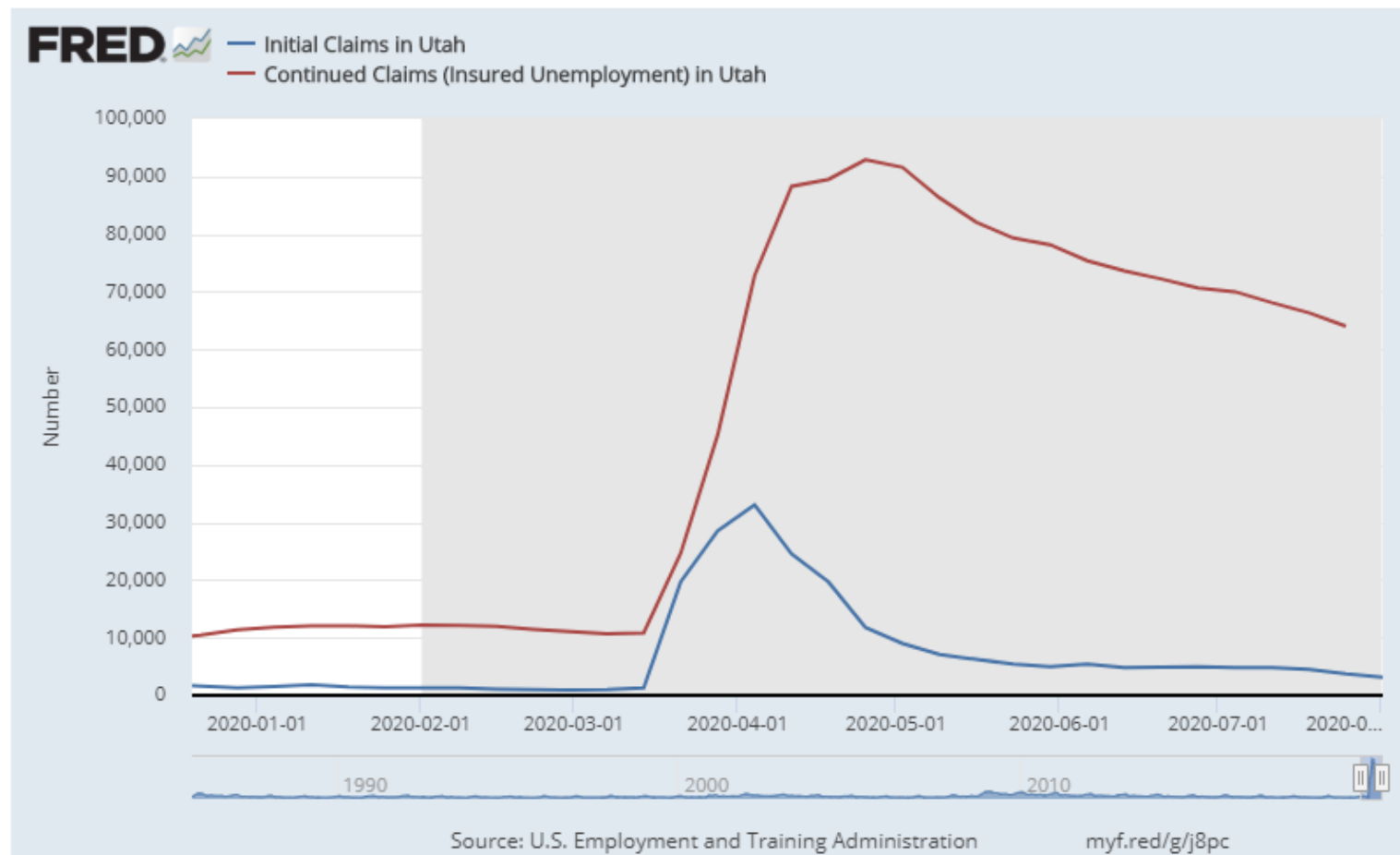


# UNEMPLOYMENT

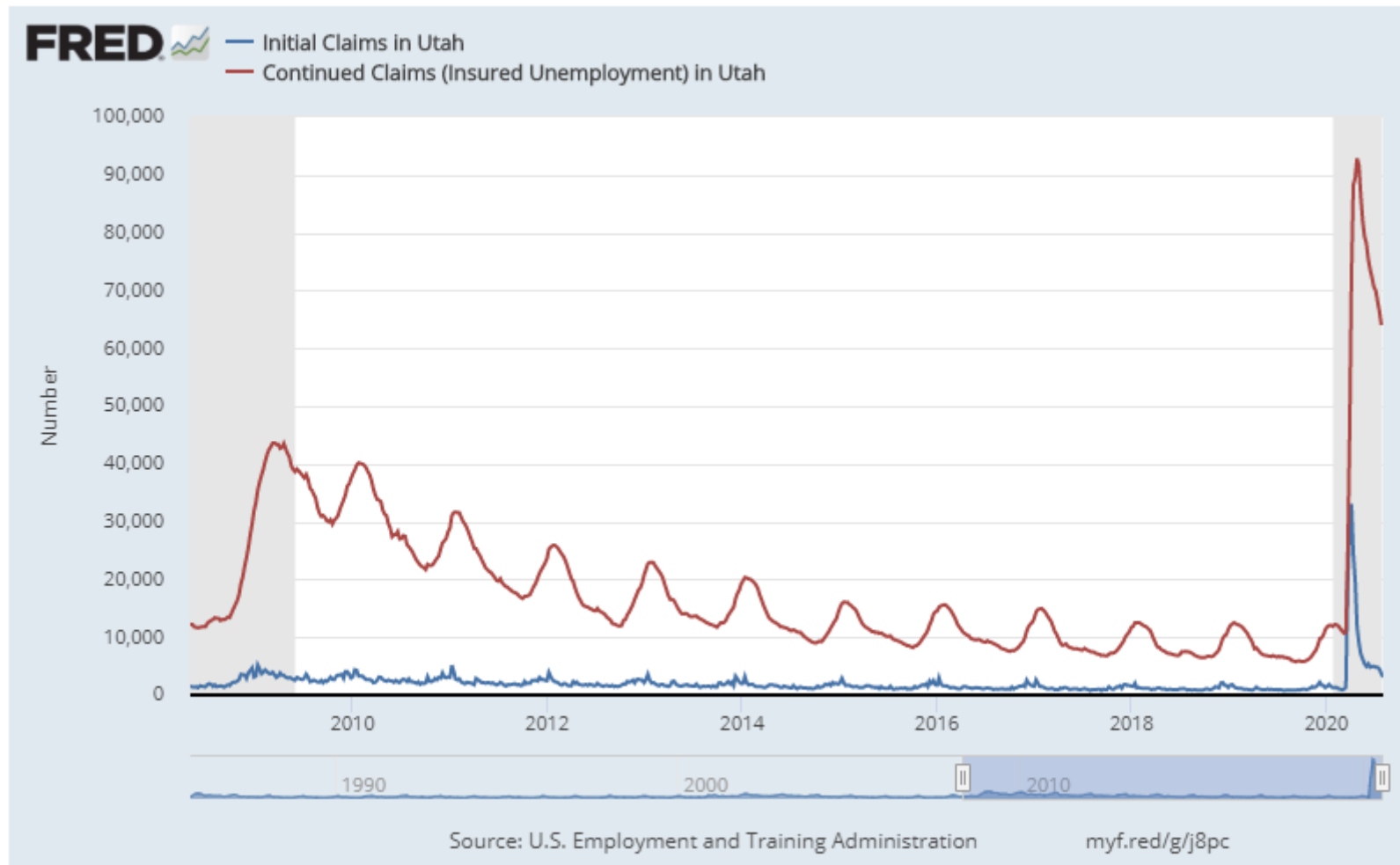
- Utah's unemployment rate of 5.1% is second-lowest in the U.S. (see graphic from June 2020)
- New unemployment claims in Utah have fallen by 28% in the past two weeks
- On August 15, furloughed individuals will be required to actively search for work to remain eligible for unemployment
- The extra \$600 weekly unemployment benefit expired on July 31



# UNEMPLOYMENT CLAIMS DURING PANDEMIC

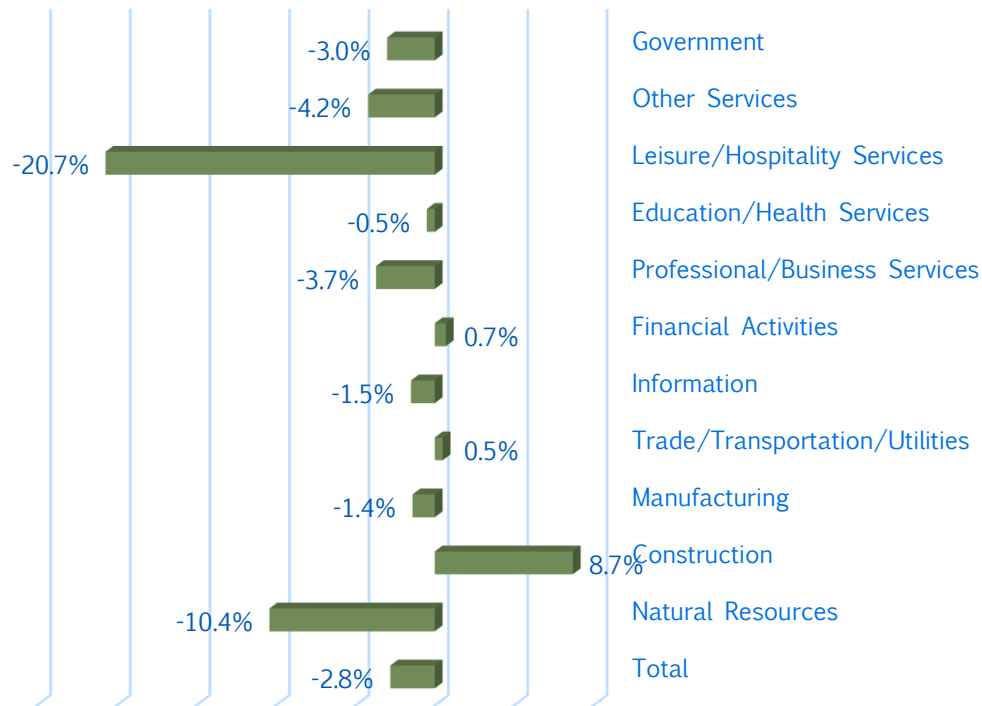


# UNEMPLOYMENT CLAIMS — PANDEMIC VS. GREAT RECESSION

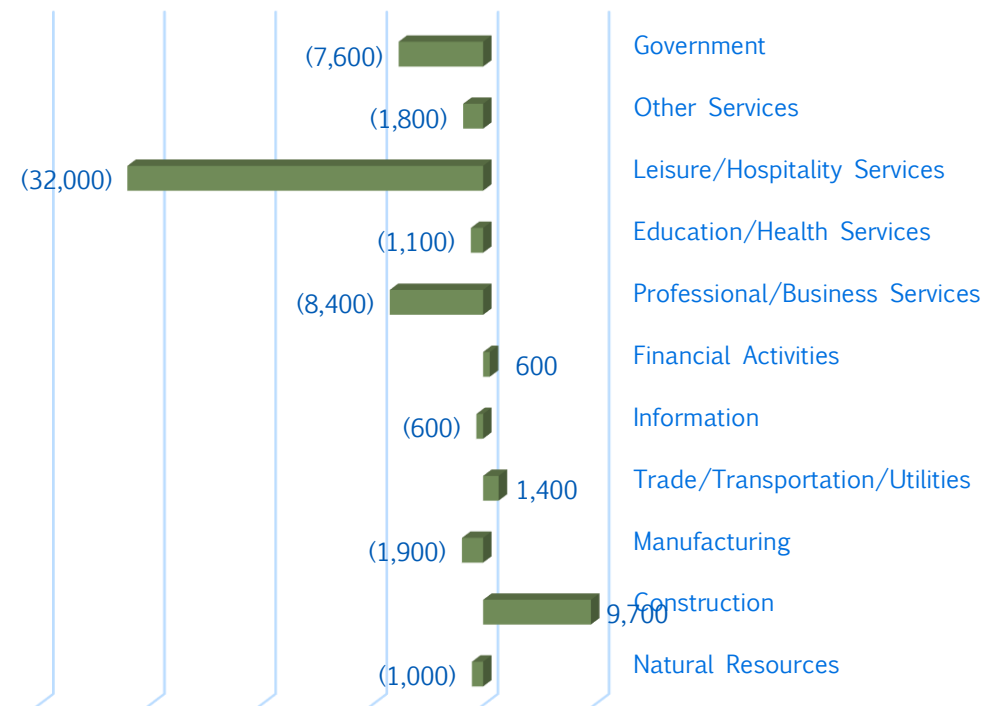


# NON-FARM EMPLOYMENT CHANGE

## ■ Non-Farm Employment Percent Change, June 2019 - 2020



## ■ Non-Farm Employment Numeric Change, June 2019 - 2020



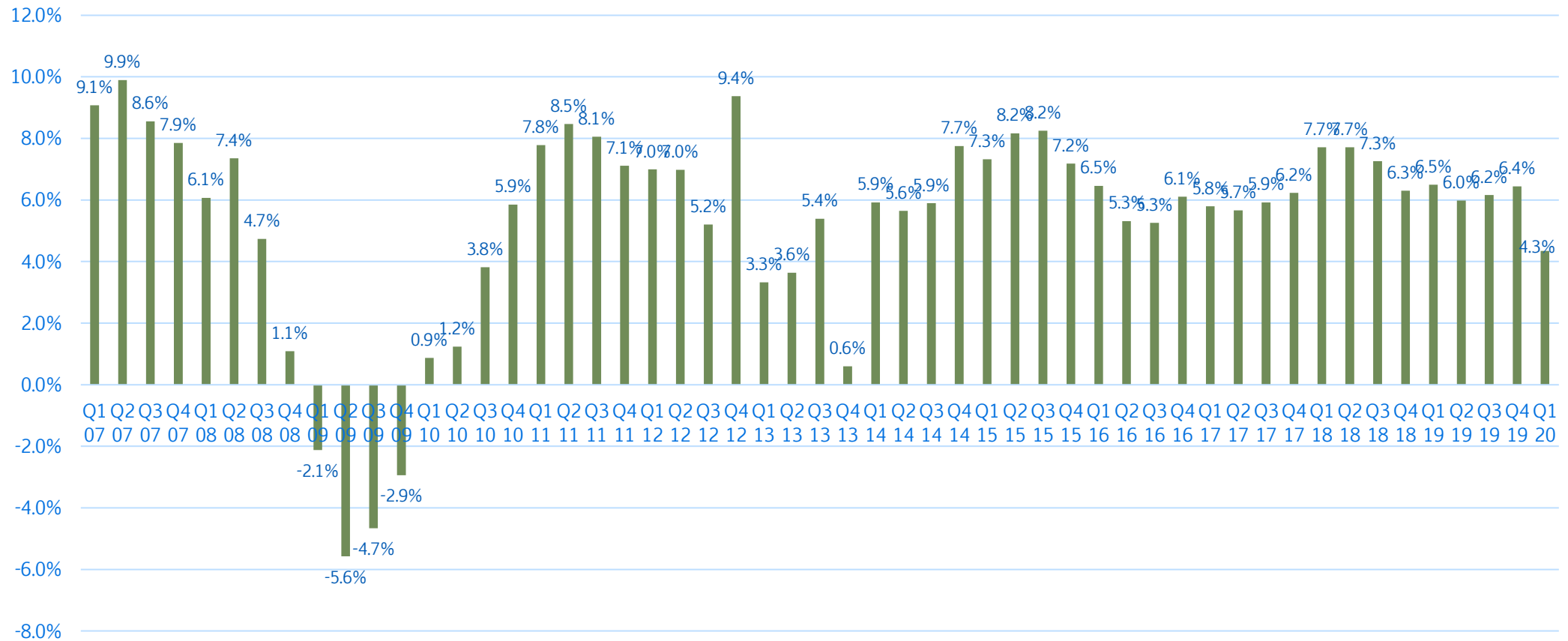
# EMPLOYMENT

- Non-farm employment decreased 2.8% or 43,100 jobs from June 2019 to June 2020.
- Job losses are not evenly distributed.
- The leisure and hospitality sectors have been hardest hit in terms of numbers (32,000) and percentages (20.7%).

# PERSONAL INCOME

- Personal income grew to \$160 billion in the first quarter of 2020.
- The quarterly personal income growth rate slowed to 4.3% in the first quarter of 2020.
- Even with the slower growth rate, Utah's growth remains above the national average of 3.3%.

# UTAH YEAR-OVER GROWTH IN QUARTERLY PERSONAL INCOME





# INCOME TAX REVENUES

- At the end of FY20, individual income tax was nearly 8% lower and corporate income tax was over 31% lower than FY19
- Income tax withholding is down 6% year-over-year in FY21 so far
- Final payments for the 2019 tax year are approximately on target

# INCOME TAX WITHHOLDING IS TRENDING TOWARD TARGET



# INCOME TAX FINAL PAYMENTS TREND TOWARD TARGET



# CORPORATE TAX IS ABOVE TARGET DUE TO TIMING



# SALES TAX REVENUES

- Preliminary FY20 sales tax revenue totaled ~\$3 billion, an increase of nearly 6% in revenues to the General Fund from FY19.
- Sales tax revenues were likely bolstered by extra unemployment benefits and other federal stimulus actions, as well as online sales tax collections during the pandemic.
- The uncertainty of additional federal stimulus actions may affect FY21 sales tax collections.

# CURRENT SALES TAX GROWTH IS CLOSE TO FY21 TARGET



# TC-23 SUMMARY FY20 YEAR-END PRELIMINARY

